

**MINUTES OF THE**  
**CITY OF SANTA FE**  
**FINANCE COMMITTEE**

**Santa Fe, New Mexico**

**April 22, 2003**

A special meeting of the City of Santa Fe Finance Committee was called to order on this date at approximately 5:00 p.m. in City Hall Council Chambers. Roll Call indicated the presence of a quorum, as follows:

**Members Present:**

Councilor Carol Robertson Lopez, Chair  
Councilor Miguel M. Chavez  
Councilor Karen Heldmeyer  
Councilor Matthew E. Ortiz  
Councilor Rebecca Wurzbarger

**Members Excused:**

None.

**Other Councilors Present:**

Councilor David Coss  
Councilor David Pfeffer

**Staff Present:**

Mr. Jim Romero, City Manager  
Ms. Kathryn Raveling, Finance & Budget Division  
Ms. Terrie Medina, Finance & Budget Division  
Mr. Cal Probasco, Finance & Budget Division

**FISCAL YEAR 2003/04 OPERATING BUDGET REVIEW CONTINUED:**

**Follow Up on Issues Raised at April 21, 2003 Meeting**

**Community Services/Affordable Housing**

Mr. Romero called attention to a packet containing reports from various staff members in response to questions raised by Councilors at yesterday's meeting.

Mr. Romero stated that Councilor Wurzburger had asked for a report on funding levels for affordable housing for the last five years. He noted that, with the combination of General Fund and CDGB funds, the funding has gone from \$759,000 in 1998 to \$986,000 in 2002. He said \$500,000 of CIP infrastructure monies for affordable housing is not included in that figure. He called attention to additional reports reflecting the percentage of affordable housing going back to 1995.

Councilor Chavez asked Mr. Romero what percentage of CIP funding goes into affordable housing, and Mr. Romero responded that the \$986,000 spent in 2002 in combination with the \$500,000 in infrastructure money would reflect a funding level increase in affordable housing expenditures by 33%.

Councilor Wurzburger thanked staff for these reports. She said her concern was to make certain the money the City was taking from the mortgage residuals was not diminishing from what the City has been doing.

#### Human Resources/Medical Insurances

Mr. Romero noted that the City has subsidized the retiree health fund for the last couple of years to the tune of about \$800,000 from the claims reserve fund.

Ms. Raveling called attention to a summary memo from Human Resources director Arturo Rodriguez on page 55 of the budget book.

Mr. Romero said he is trying to stabilize the retiree health fund and is recommending, depending on the number of years of service, an increase in premium, e.g., someone with 15+ years of service would experience an increase of 50%; someone with 10-15 years of service would experience an increase of 75%; and nine years or less by 100%. He referred to a breakdown of the number of employees involved in each group.

Mr. Romero also noted that the City pays approximately .5% toward the retiree health fund, and is recommending that this be increased to .75% for active employees. He said this will be subject to negotiation, however, and staff has met with Robert Chavez from AFSCME and Mark Marquez from the Firefighters. He said Michael Salazar from POA has also been invited to the negotiations. Mr. Romero stated that he plans to talk to the union leadership and possibly initiate an MOU until the City enters into negotiations, because if the City is not able to get an MOU in place before July 1, 2003, "the City portion is 1.5% and that would hold us from increasing that portion."

Chair Lopez commented that the City can negotiate with the union leadership to come up with creative ways for them to pay the increase, but she was assuming the bottom line is that the City has to have that additional revenue.

Mr. Romero said that assumption was correct. He said the City couldn't continue to subsidize that fund from other revenue sources. He pointed out that medical costs in retiree health have dramatically increased in the face of minimum increases on the City's side since 1991.

### CVB/Lensic Funding

Chair Lopez noted that the City funded the Lensic at \$300,000 last year, and this year the City would be giving them \$100,000, which will be supplemented by the State with another \$200,000, keeping them solvent through this three year critical period.

Noting that \$65,000 was reduced from the CVB postage budget, Councilor Heldmeyer said she wanted to make sure the City would still be able to send out its travel books and other necessary materials.

Sweeney director Darlene Griego responded that they would continue to send out the Visitors Guides either through bulk mail rates for first class rates through the end of the fiscal year. She said the cut would not allow them to do a planned direct mail program to 4,000 people who have previously visited Santa Fe and used American Express cards.

Addressing Lensic director Bob Martin, Councilor Chavez said support of the Lensic included a request that it provide space for nonprofits throughout the city. He asked Mr. Martin if he would be willing to provide a quarterly report on that type of activity so the City can gauge the benefits.

Mr. Martin responded that he would be delighted to do that. He said the report could also include the Lensic's sponsorship of community groups and education outreach.

Mr. Martin also agreed to provide a report by the end of the week on how the Lensic spent the \$300,000 from last year's allocation.

### Public Works

#### 1. Organizational Charts

Councilor Ortiz asked Public Works director Mike Lujan if he anticipates any changes to his department as a result of the budget process.

Mr. Lujan responded that there would be some changes. He said an immediate change would involve incorporating a liaison to the Railyard project within the Engineering/CIP Division. He stated that the position, now vacant, is for a Public Works Project Administrator.

Mr. Romero stated that he is currently developing a plan for Public Works and hopes to have something to bring forward in another month or so.

Responding to questioning from Councilor Ortiz, Mr. Lujan stated that a point person from the City side is needed to discuss general Railyard issues, including offsite and onsite infrastructure that would call for City involvement, e.g., looking for federal funding. He said Bernadette Jendrusch acted in this capacity until she left the City a few months ago.

Mr. Romero clarified for Councilor Ortiz that, prior to Ms. Jendrusch coming to Planning & Land Use, the position was funded totally out of Railyard proceeds; when she came on board, the City filled the slot using an existing vacancy.

Mr. Lujan stated that the point person would report to the Engineering director because much of the job involves engineering oversight relating to parking and other infrastructure.

[In later discussion, Councilor Wurzbarger said she hoped the person who accepts this position “does a much better job of keeping us informed on what is happening with the Railyard.” She suggested that a monthly update be provided either from the coordinator or from Mr. Lujan.]

Responding to questioning from Councilor Ortiz regarding the traffic calming planner, Mr. Lujan said that individual is funded out of the City’s CIP Fund, which has three sections: administration, community facilities, and traffic calming. He stated that, although that position, which is a term position, is located within the Traffic Division, the funding comes from CIP.

Councilor Ortiz said he understood the paint, sign and signal people are under increasing pressure in part because of the traffic calming program, and there is a need for additional staff and/or equipment. He asked if there are available funds to have additional term or part time positions to add to the crews.

Mr. Romero responded that he could provide two fulltime employees to the sign and paint shop from two existing vacancies in the General Fund.

Councilor Ortiz suggested looking to the other special funds to help alleviate some of the costs for the General Fund. He said the City could assign them as traffic calming signers, and they could then pick up residual work on an as-needed basis.

Mr. Romero responded that he would look into that and provide a response for the May 1 Finance Committee meeting.

In response to questioning from Councilor Ortiz, Streets Division director Lawrence Ortiz said there are three vacancies in the Streets Division, two service workers in Fleet and one maintenance worker in Streets. He said the positions are being advertised.

Councilor Heldmeyer commented that the sign and paint staff have said traffic calming is part of the increase in pressure on them, but they have also expressed to her that, as the city spreads out and adds more streets, there is additional work necessary. She said the distances between the places where they work get longer and it takes more time to get from place to place.

Mr. Lujan responded that, in the last four years, the City has added about 100 streets to its inventory and also has many more traffic signals than previously.

#### Solid Waste

Councilor Ortiz asked if there are any vacancies in Solid Waste that remain unfilled, and Mr. Lujan responded that the Director and Operations Manager are currently filled by people in an acting capacity. He said he anticipates continuing with that at least in the near future. He stated that there are no other vacancies, although field staff people are being sought for refuse collection work.

Councilor Heldmeyer recalled discussion yesterday that, even though the roll-offs are losing money, there might be a need to keep some of them because of the kind of waste they pick up. She asked Mr. Lujan to expand on that.

Mr. Lujan responded that staff closely looked at the roll-off operation and found that, while direct expenses are offset by revenue, some of the non-direct expenses such as administration costs, debt service allocation and other allocations related to administration create a deficit. He said staff feels that, with proper scheduling of the three equipment operators, who are servicing both open-top roll-off containers as well as compactors, the City can pull off one equipment operator. He stated that the budget recommendation includes expansion of an equipment operator, but this offset would eliminate the need for that.

Mr. Lujan said staff feels other efficiencies can be achieved, but it will take more time to explore that.

Councilor Heldmeyer asked if staff has done a comprehensive cost benefit analysis of the commercial side.

Mr. Lujan responded that, according to a cost of service study, commercial is carrying the weight for the majority of the Division. He said that would be both rear load service and front load service; however, roll-off was marginal. He stated that it

was also discovered that the transfer station operation is clearly affecting operations the most.

Mr. Lujan also stated that, because the City doesn't own its own landfill, it now has tipping fee costs that are approximately \$2 million in the next fiscal year that significantly impact operations.

Councilor Heldmeyer asked if it still pays to keep the transfer station open, and Mr. Lujan responded that it does not based on the revenues generated from commercial haulers and residents. He added that, even with the cuts made two years ago, "we're still finding that it just does not make sense." He cited the fact that the regional landfill now accepts residential waste.

Councilor Heldmeyer noted that the City Manager has recommended keeping the transfer station operating until such time as it can be sold, but asked if it would make more sense to "mothball it."

Staff agreed to develop an analysis of the pros and cons of keeping the transfer station open until it is sold.

#### Transit

[Councilor Coss left the meeting a few minutes prior to discussion on this item.]

Mr. Romero referred to a letter dated February 2, 2003, from Bruce Poster of Southwest Planning and Marketing indicating that, based on a survey, he estimated that 12% of the Santa Fe Trails ridership in 2001 was made up of visitors. Mr. Poster noted in his letter that the hotel occupancy rate during that month was 65.1%, and in 2002 was 64.7%, so he had no reason to believe the ridership percentage had changed significantly.

Chair Lopez asked what percentage is being charged to OTAB for Transit.

Mr. Lujan responded that the sharing of Lodgers Tax is at \$272,000, representing roughly 6% of the existing budget. He said Councilor Coss's resolution would generate another 6% for a total of 12%, or another \$260,000, for a total of about \$531,000.

Chair Lopez asked if Councilor Coss' intent through the resolution was to then free up \$260,000 for Quality of Life funding or salaries.

Mr. Lujan responded that his understanding from Councilor Coss was that this would be new money and was not intended for offsets.

Chair Lopez pointed out, though, that Mr. Lujan's budget does not show the need for the \$260,000. She said she saw these monies being used to fund positions, which would then free up General Fund monies for other needs.

Mr. Lujan responded that this particular resolution is scheduled for next week's Public Works Committee and will go to OTAB later this week. He said Councilor Coss' intention is to use the monies for passenger amenities such as shelters, signs and upgrades on Routes 1 and 4, the heaviest routes.

Councilor Chavez recalled that it was Councilor Coss' intention to upgrade the system and provide amenities.

Mr. Romero added that \$150,000 is being recommended from the next fiscal year's budget to address the amenities desired by Councilor Coss. Ms. Raveling added that the monies will come from the Transit Enterprise Fund and will go toward bus shelters and improvements around bus shelters.

#### Stormwater

Responding to questioning from Councilor Chavez, Mr. Romero said the recommended 75¢ stormwater utility fee would meet the basic requirements mandated by the EPA. He said the EPA has not responded to the plan document that was submitted to them, so this recommendation could be subject to change.

Councilor Chavez said he could not recall if the plan document included any treatment such as check dams and other physical structures in the arroyos.

Mr. Lujan responded that this was not in the plan; however, it was agreed that those types of projects could be analyzed for possible funding down the road. He said the program manager (being recommended in the proposed budget) would work closely with the River Commission and look at those areas.

Councilor Chavez said he envisioned that the program manager could also work with Public Works to manage smaller waterways, which would tie in with Streets because of where the water is generated and where it ends up. He asked how that would be coordinated.

Streets Division director Lawrence Ortiz responded that he thought the City had done a job over the last few years in addressing all of the channels. He said a series of control structures have been installed in minor channels such as Arroyo de los Pinos as part of the City's small drainage program. He added that Streets plans to continue with this program. He said that includes maintaining inlets and all of the channels with bank protection devices, gabion structures and whatever else is necessary wherever erosion problems are seen.

Councilor Chavez said he also thought the City should look into capturing runoff in check dam type of structures to allow for aquifer recharge as well as mitigating damage caused by the runoff.

Mr. Ortiz noted that Arroyo de los Pinos is a very good example of such a check dam system.

Councilor Chavez asked if he was correct that the 75¢ increase would not cover the actual design and construction of additional check dams.

Mr. Ortiz responded that the Small Drainage Fund has been the recurring source of funding for such structures, and has worked quite well in addressing problems.

Councilor Chavez commented that it has worked well in the past, but pointed out that the City has urgent water needs and in the past took \$10.5 million from CIP reallocation funding for that. He commented that using this source to address water problems would create a lot of competition for remaining CIP dollars.

Councilor Chavez asked Mr. Lujan what the timeline is for the stormwater project manager to come on board, and Mr. Lujan responded that he would hope to see someone ready to go shortly after July 1.

Responding to additional questioning from Councilor Chavez, Mr. Lujan said every dollar in additional stormwater fees would represent \$459,000 annually. He added that he could not say at this point whether that would fund some of the projects Councilor Chavez was envisioning. He said the 75¢ in the first year would generate \$344,000, according to rate analyst Dennis Gee.

Councilor Chavez asked Mr. Lujan to present a report on what it would take to continue and expand the erosion control plan.

Councilor Ortiz asked Ms. Raveling if there is any prohibition against the use of CIP funds for the acquisition of equipment. He said he understood that the bulk of the funding in the first year from Stormwater is going for the purchase of a vector.

Ms. Raveling responded that the 1/2% GRT/CIP is used to fund positions and debt services, and the ordinance on that speaks to capital improvements, not equipment. She said the ordinance could be changed, but added that the 1/2% is also the source of the CIP bond issues, and additional expenses from the 1/2% CIP will limit future bonding capacity.

Councilor Ortiz asked if the vector purchase could be considered an expense against the 1/2% CIP, or would it be considered part of the improvements the City would be making.



Ms. Raveling responded that the ordinance would have to be changed to allow the purchase of equipment. She said that, if it is related to a project, there is some flexibility, e.g., if you build a building, you need computers, furniture, etc.

Councilor Ortiz asked it would be an acceptable thing, as an example, to purchase a \$250,000 vactor to improve the drainage along Arroyo Chamiso Trail, a \$1.5 million project.

Ms. Raveling responded that the City hasn't done that in the past. She commented that the Council would have to be making that decision, but she personally thought that was "stretching it a bit."

Chair Lopez asked Councilor Ortiz if he was looking for a way to avoid raising the stormwater utility fee.

Councilor Ortiz explained that the stormwater drainage fee proponents are concerned that the City will be imposing this fee, which is essentially a tax, and then dedicating most of it in the first year to pay for an administrative position and equipment "rather than putting the rubber to the road." He said he was looking for a way to come up with creative ways of using other funds to shore up what he found to be the principal weakness in this proposed budget, which involves the impacts to the General Fund.

Councilor Heldmeyer expressed concern that so many projects have been deferred from CIP. She commented that people during the "flush times" were promised projects that still haven't materialized. She predicted that there would be a lot of competition for these monies.

Councilor Heldmeyer commented that she found it disconcerting to see some questionably engineered projects now starting to come through the Planning Commission that are on difficult terrain and are strikingly similar to the 1980's Estancia Primera project that caused so many problems. She asked what the City would do as a "rear guard" strategy to protect against things that might happen, as well as proactively to make things better in the future.

Mr. Lujan responded that, in discussion with Ms. Raveling, the idea would be to pool the proposed stormwater fee into one fund, and then various departments with a vested interest would interface with each other, including Planning & Land Use, Solid Waste and Wastewater.

Councilor Heldmeyer noted that the spreadsheets prepared by planner Marian Shirin as part of the submittal to the EPA included a chunk of money at the end of the plan that would be used for structures in general by the end of five years. She expressed concern that the long-term Stormwater Project Management Plan budget (page 110 in budget book) largely addresses the administrative side, though. She

commented that, while the vector and an operator are important components, “it seems that the component that several of us were most interested in has been left out, which is taking existing conditions and creating small scale and inexpensive projects to deal with those, along the lines of that huge report that Ms. Shirin came up with.”

Mr. Lujan said the key thing is to get someone on board to develop and run with something that would be more detailed, and start addressing some of the issues in the original plan.

Chair Lopez stated that she would prefer to wait on these issues until the EPA responds.

Councilor Pfeffer asked where the vector appears on the best management practices list in the Stormwater Management Plan. He said he saw nothing in there that spoke to cleaning culverts and so forth that would connect those activities to the vector.

Following discussion, Councilor Pfeffer agreed to meet with staff to discuss this issue further.

**Request for Approval of City Manager Recommendations for the Fiscal Year 2003/04 Operating Budget.**

**1. Request for Approval of Fiscal Year 2003/04 Professional Services Agreements — Children and Youth Programs.**

**2. Request for Approval of Fiscal Year 2003/04 Professional Services Agreements — Human Services Providers.**

Chair Lopez stated that providers in both of these areas were welcome to address the Committee at this time.

There was no public comment.

**Councilor Ortiz moved approval of the contracts recommended by the City Manager for the Children and Youth providers and Human Services providers.**

**Councilor Heldmeyer seconded the motion, which passed 4-0 by voice vote.**

Councilor Heldmeyer thanked staff for being able to fund everybody more or less at last year’s level. She commented, “I knew this took a little bit of juggling and

arithmetic to do this, and I know that the nonprofit providers really appreciate that, too.”

**Councilor Ortiz moved approval of the City Manager’s recommendations for the Human Resources Department, Police Department and Fire Department, which could be found in the budget book on pages 43-65, 247-258, and 271 to 278.**

**Councilor Heldmeyer seconded the motion.**

Addressing Police Chief Beverly Lennen, Councilor Ortiz said that, as he understood it, this request was only for equipment and not for expansion of positions.

Chief Lennen responded that, in last year’s discussion, “one issue became very clear — that our challenge in recruitment was one we needed to address before we requested additional positions. Although we have had some success, those positions are not yet filled. Therefore, in talking with staff and the City Manager, I didn’t feel it would be advantageous at this point to come and ask for additional positions.

“I will tell you: the need has not gone away. But once we fill those positions, hopefully the City will then be in a better financial position once again and we can move forward with keeping up as we did in the Five Year Plan.”

**The motion passed 4-0 by voice vote.**

### **Follow Up on Issues Raised at April 21, 2003 Meeting (Cont’d)**

#### **Parks & Recreation**

Mr. Romero called attention to the requested organizational chart and MRC pie chart.

Mr. Romero noted that, under revenues, the Marty Sanchez Links de Santa Fe golf course generates approximately 70% of the revenue; the sports complex 9% of the revenue; and transfers in from the General Fund and other areas, 21%.

Chair Lopez commented, “I feel like we’re always setting goals for the golf course to increase the amount of money that they’re making, but I don’t think we’ve required the same amount proportionally on the sportsplex.” She said she would like to see the City “gradually start taking out of the transfer pie and putting it into the sportsplex pie,” and asked staff to provide a breakdown on raising fees to increase that amount instead of raising golf fees.

Parks & Recreation director Ron Shirley responded that staff has been working on a survey of New Mexico, Texas and Colorado in terms of adult league fees at the sports fields, including tournament fees and registration fees. He said the biggest problem has been bringing tournaments to Santa Fe or getting City adult teams to play here because they feel the fees at the sports fields are too high.

Chair Lopez said, "I would like to see you come forward with some kind of plan, even if it's a plan that's gradual — maybe parts of it don't take place until it's tournament time. But I would like to start changing this pie chart a little bit."

Councilor Ortiz said he did not see the proposed budget reflecting a continued commitment to rehabilitate the existing fields.

Following discussion, Ms. Raveling clarified that the proposed operating budget includes maintenance, operations, cost of water for increased watering, etc. She said turf rehabilitation funding would be appropriate for CIP funds rather than this particular source.

Councilor Ortiz said he just wanted to be clear on what the source of funding would be for the five year plan to rehabilitate all of the parks, since he thought it crucial that the process continue.

Councilor Wurzbarger said she wanted to reaffirm her recollection of Mr. Shirley's presentation of the five-year plan, which listed many, many parks throughout the city. She recalled Mr. Shirley saying that, by the time the City is finished in the five years, it would cover all of the parks. She said, "So we're saying it's covering all of the parks, yes indeed, and it's doing it through CIP money and not through General Fund money?"

Mr. Shirley responded that this was correct. He said the list included primary sites and secondary sites.

Councilor Heldmeyer suggested considering a spectator fee at the MRC along the lines of the one being proposed for the GCCC, or else a parking fee.

Mr. Shirley agreed to look into that.

Councilor Wurzbarger stressed the importance of not imposing fees on practice play for youth, and Mr. Shirley assured her that this would not happen.

## GCCC

Mr. Romero stated that he was recommending a spectator fee and some other minimal fee increases in order to reduce the youth rate. He said the drop in rate for youth 1-10 would be \$1 versus \$2, and youth 11-17 would pay \$1.50 instead of \$2.50.

Mr. Romero referred to Spectator Policy Operations for the GCC and said he was proposing Option 3:

- Charge regular rate to watch open recreation; no fee to watch classes or team practices; charge a spectator fee for all league games, swim meets and tournaments; and if an outside organization rents facility space and charges a spectator fee, staff to negotiate a percentage of the fee.

Chair Lopez posed a hypothetical situation to GCCC director Greg Neal — if Mr. Neal's little brother is playing in a hockey game and the family goes to watch, and there are two parents, a child and a senior citizen. She asked if each person would have to pay to watch.

Mr. Neal responded affirmatively.

Councilor Ortiz asked if there was any way of differentiating the cost of fees for ice-skating, the swimming pool, and just going to play basketball. He said he was raising this issue because it would seem obvious that the cost of the running the ice rink is much more expensive than, say, the cost of having a basketball court and a few basketballs and hoops. He said he would assume the same holds for swimming.

Mr. Neal responded that the GCCC advisory committee looked at a plan to charge a higher fee for the ice arena before the GCCC opened. He said the committee struggled for many months of meetings, "and the reason the idea was dropped at that time in favor of one fee to use any part of the building was twofold: in the case of the ice arena, the first point was we didn't want the community to start thinking of using the ice arena as an elitist sport. But primarily the reason was that to monitor and control what you pay for and what part of the building you're in and using is impossible."

Councilor Ortiz said one would expect, though, that the cost of using the ice arena would gradually rise because that facility is being used more.

Councilor Ortiz pointed out that it is fairly obvious that kids in swimsuits are going to swim in the pool and not ice skate or anything else. On the other hand, he said, someone in warm-ups in July is going to ice skate.

Councilor Ortiz said his real point was whether the GCCC is matching the cost centers to how it is basing its revenues. He wondered if those costs could be tracked in the future with a mind toward changing the fee structures, since this is an enterprise fund and costs should be calculated accordingly. He said he supported a minimal spectator fee, but “to rely on spectator fees as the revenue cushion doesn’t strike me as the right kind of approach in any part of the facility.”

Mr. Neal responded by pointing out that utilities are not sub-metered in the facility, so costs can’t be broken out according to the recreation centers there.

Councilor Ortiz said there must be engineering specs or architectural designs that could point to how much the rink, etc., use in terms of utilities. He said there must also be projected costs for electricity and so forth that could be used.

Mr. Romero reminded the Committee that the proposed spectator fee is to allow the facility to reduce the rates for youth and make them more comparable to Ft. Marcy, Salvador Perez and so forth. He said these fees would be for the big tournaments and swim meets.

Councilor Heldmeyer said she was totally in favor of lowering the drop-in rate for kids, because the most frequent complaint she hears is that it is too expensive. She added that the Mayor’s Youth Advisory Board has also endorsed the spectator fee toward that end because they see the GCCC as a potential place to hang out.

Chair Lopez asked what happened to the plan to use advertising revenues to help finance the youth programs at the GCCC.

Mr. Neal responded that he did not know about that particular plan, but was aware of the idea of using advertising revenues to support the enterprise fund. He said the RFP for an advertising agency is currently in the Purchasing Department.

Chair Lopez recalled that the idea of allowing advertising to “intrude into one’s visual space” was “offset by the idea of knowing that kids could use the facilities for much less.” For that reason, she said she supported advertising in connection with the kids’ programs.

Councilor Pfeffer said he supported Option 2. He noted the difference is that Option 3 charges the regular rate for people to come in and watch recreation, which to him discourages the selling of passes, i.e., “being pennywise and pound foolish.”

Mr. Romero noted that he had planned to recommend Option 2.

Mr. Romero said staff would return with additional information that would break out cost centers at the GCCC.

Responding to questioning from Councilor Wurzbarger, Mr. Neal said lodging places have asked if the GCCC could come up with a program whereby they would pay the GCCC and their guests could use the facility for free. He stated that he would be exploring this further.

Councilor Pfeffer said he would be interested working with staff to draft the necessary legislation that would allow advertising at the GCCC. He recalled a \$30,000 offer during the grand opening of the GCCC to have a logo under the ice at the ice arena for one year. He said the going rate for a 4 x 8 panel is \$2,500 a year. He commented that he saw this as “good, clean money.”

### Planning & Land Use

Comparative construction cost data for Santa Fe, Albuquerque and Las Cruces, requested from the Committee at yesterday’s meeting, was in the packet. Also included was the way these cities do valuations in order to determine building permit fees.

Planner Jim Salazar said that, given the average of contractors’ estimates that the City has received, standard frame construction is about \$118 per square foot in Santa Fe. He said the cost in Albuquerque is \$75 and in Las Cruces is \$80.

Mr. Salazar said custom frame construction is \$166 per square foot in Santa Fe, versus \$110 in Albuquerque and Las Cruces. He stated that adobe construction in Santa Fe is \$199 per square foot; \$140 in Albuquerque; and \$130 in Las Cruces.

Mr. Salazar said both Las Cruces and Albuquerque use the ICBO valuation tables for building permits, and have also adopted the regional modifiers that staff is recommending that the City of Santa Fe not adopt because of the disparity in actual construction costs.

Mr. Salazar stated that, based on the ICBO valuation tables for construction costs in both Albuquerque and Las Cruces for standard frame, the cost is \$53.17 per square foot. He said actual costs are \$75-\$80 in those cities.

Mr. Salazar said custom frame is \$82 per square foot (ICBO valuation) in Albuquerque and Las Cruces, while actual construction cost is \$110 in both.

Mr. Salazar stated that ICBO valuation for adobe construction is \$60 per square foot, and in Albuquerque and Las Cruces actual construction cost is \$130-\$140.

Mr. Salazar said that, based on ICBO valuation tables, building permit fees are assessed on an evaluation that is a percentage of actual construction costs: for Albuquerque, standard frame is 71%; Las Cruces, 66%. He said custom frame is

assessed at about 75% of construction cost in both cities, and adobe is assessed at about 43% of construction costs in Albuquerque and 46% in Las Cruces.

Mr. Salazar stated that, if what the City Manager is proposing is adopted, the City of Santa Fe would still only be at 57% of actual construction costs for standard frame; for custom frame, 56%; and adobe, 49%.

Councilor Pfeffer commented that, given the “enormous gap” between Las Cruces, Albuquerque and Santa Fe, those cities would have less of a hit in using ICBO standards than would be the case in Santa Fe. He questioned why use ICBO figures when they are unrealistic to begin with — in every instance, they are far below actual building costs.

Mr. Salazar responded that it was staff’s attempt to be reasonable and incremental in looking at these fees.

**CONT'D:**

**Request for Approval of City Manager Recommendations for the Fiscal Year 2003/04 Operating Budget.**

**8. Request for Approval to Publish Notice of Public Hearing on June 25, 2003, of an Ordinance Repealing Section 7-2.2A(6) and Creating a New Section 7-2.2A(6) SFCC 1987 Regarding Building Permit Fees.**

**9. Request for Approval of a Resolution Increasing the Fees Collected for Processing Matters Pertaining to Chapter XIV Land Development Regulations.**

---

**Councilor Chavez moved for approval of these two items. Councilor Wurzbarger seconded the motion.**

Councilor Pfeffer reiterated his suggestion made at yesterday’s meeting that the building permit fee ordinance include an exemption for permits below the equivalent of an affordable house in residential construction. He said he was speaking to people not in the affordable housing program who need a small room addition or some small-scale addition.

Councilor Pfeffer stated that this would clearly result in a reduction in revenue, so he thought it important to include it in the budget process.

Mr. Romero said that, rather than an exemption or waiver, he would suggest looking into reasonable fees for a small addition to a house valued at \$160,000 and below.



Councilor Pfeffer suggested that staff also look into simply not raising the fees for those cases; in other words, keep them at the current rates.

**The motion for approval to publish notice of these two public hearings passed 3-0 by voice vote. [Chair Lopez was not present for this action.]**

**Councilor Ortiz moved to approve the City Manager's recommendations for General Government (pages 17-27) and for the Finance Department (pages 29-35).**

**Councilor Heldmeyer seconded the motion.**

Responding to questioning from Councilor Heldmeyer, Mr. Romero said he reclassified the auditor position into an assistant city attorney, feeling that one internal auditor is sufficient rather than two. He said he plans to bring Richard Mares back from Solid Waste to be the internal auditor. He stated that the City will advertise for that position for the fourth time to see if people qualified for the job, i.e., who know the culture and environment of Solid Waste, will apply.

Councilor Heldmeyer said she thought some of the auditor's reports have been "very revealing and interesting," and thought it important that the City do its own audits first rather than waiting for the annual audit to turn up any discrepancies.

Mr. Romero responded that he is open to contracting if there is a specific area that needs auditing.

**Following discussion with Mr. Romero on his reorganization plans to provide additional assistance to his office and the need for additional clarification, Councilor Ortiz amended his motion to withhold approval of the City Manager's budget.**

**Councilor Heldmeyer accepted this amendment as friendly, and the motion passed 3-0 by voice vote. [Chair Lopez was not present for this action.]**

#### Planning & Land Use (Cont'd)

Mr. Romero referred to a list of the status of vacant positions in Planning. He said all of the positions have been advertised.

Planning and Land Use director Sandra Aguilar detailed the status of the positions.

Councilor Heldmeyer said she keeps hearing about possible reorganizations, “possible this, possible that,” and she expected that to parallel the budget. She said she was interested in knowing Ms. Aguilar’s future vision for the Planning Division.

Councilor Wurzbarger asked Ms. Aguilar to make a brief presentation at another meeting of that vision and how people fit functionally into that, since the job titles did not give her enough information.

Councilor Heldmeyer asked that the presentation include discussion of relationship between departments and how past problems might be fixed. She said, “Planning ought to overarch everything that we do, but if we have two or three or four places where long term planning is taking place, and they don’t share the same vision, you have colliding arches.”

Councilor Ortiz added, “And I’ll be even more blunt: I’ve always thought that economic development and affordable housing, as it’s positioned now, needs to be seriously discussed in terms of merging those particular planner positions with the planners that we’ve got in long range planning. The question of whether or not there is work production coming out of either economic development or affordable housing, if there are other models that we can use — outsourcing or whatnot — or whether or not there is some way of merging the long range planning that we’ve got in long range planning, with the efforts that we’re doing in Community Services, if there is that proposal, I’d certainly like to hear it in anticipation of approval of this particular budget. Because I agree with Councilor Heldmeyer; there have been times in which long range planners, in looking at their vision, I suppose, of the General Plan, have run into stark differences of opinion with some of our affordable housing and economic development folks and water planners.”

**CONT'D:**

**Request for Approval of City Manager Recommendations for the Fiscal Year 2003/04 Operating Budget.**

- 4. Request for Approval to Publish Notice of Public Hearing on June 25, 2003, of an Ordinance Amending Section 22-10.7 SFCC 1987 Regarding Wastewater Sampling; Creating a New Section 22-13 SFCC 1987 Regarding Treated Effluent Management; Amending Exhibit A of Chapter 22 SFCC 1987 Regarding Sanitary Sewer Charges and Fees; and Repealing Section 25-6 SFCC 1987 Regarding Treated Effluent Management.**

**Councilor Chavez moved approval to publish notice of this public hearing. Councilor Wurzbarger seconded the motion, which passed 4-0 by voice vote. [Chair Lopez was not present for this action.]**

**MATTERS FROM THE COMMITTEE**

The next meeting was scheduled for May 1 at 3:00 in order to continue the budget hearings.

**ADJOURN**

Its business completed, the Committee adjourned the meeting at approximately 7:45 p.m.

Accepted by:

\_\_\_\_\_  
Councilor Carol Robertson Lopez, Chair

Reviewed by:

\_\_\_\_\_  
Kathryn Raveling, Finance Director

Submitted by:

\_\_\_\_\_  
Judith S. Beatty, Recorder